

The BRIDGE

The Credit Union Way to Economic Betterment

Official
Publication
of the
CREDIT UNION
NATIONAL
ASSOCIATION
Inc.



Legend on page 117

MAY 1945

Let Us Move Forward . . . Saskatchewan Wins Plaque . . . Shrink, Grow or Status Quo?

New Mexico Law

ON APRIL 13, 1945 Governor John J. Dempsey signed the bill which authorized the State of New Mexico to charter and supervise credit unions within the state. New Mexico is the 44th state to adopt a credit union law.

This bill follows very closely the model credit union law developed by the Credit Union National Extension Bureau and Cuna, Roy F. Bergengren and Tom Doig assisted in its preparation by correspondence from Cuna's headquarters. In the field, Cuna was represented in the early stages of the work which lead to the passage of the Act by Dora Maxwell, Cuna Organization Director, and in the later stages by Chester T. Budd, president of the Colorado Credit Union League and Cuna director, and Al Dodd, former Colorado League president and Cuna director.

A large measure of the credit for this advance on the credit union front belongs, however, to the initiative and driving interest of Father E. J. McCarthy, of the Sacred Heart Parish Credit Union, Alamosa, Colorado, and the active support of The Most Reverend Edwin V. Byrne, archbishop of Santa Fe, and Reverend Sigmond Charawicz, secretary to the archbishop and chaplain of the New Mexico House of Representatives.

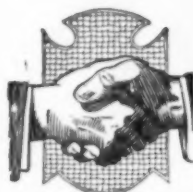
Government officials in addition to Governor Dempsey, who share responsibility for the Act are Clyde C. McCulloch, attorney general; Woodland Saunders, bank examiner; and Eugene M. Allison, corporation commissioner.

In the Senate the measure was referred to and approved by the Committee on Banking and Corporations, whose members are Arthur F. Jones, chairman; Hilario Rubio, Don L. Dickason, James Morrow, Sidney S. Gottlieb, G. T. McWhirter, and James Brewster.

In the House of Representatives the Ways and Means Committee reported the bill out favorably. Members of the committee are Alfredo R. Maes, chairman; Reginaldo Espinoza, Tony V. Martinez, Celestino Garcia, F. A. Vigil, Jaun (Johnie) Archibeque, Willie Grijalba, Ellis Whitney, Elmore Inmon, Charles C. Mumma, James F. Snipes, Dr. M. S. Smith, and Jerry M. Trujillo.

Regulation W Exempt

THE FEDERAL RESERVE BOARD has ruled that the following are specifically exempt from Regulation W:



Membership Drive

12,906 Over Last Year Total

SECOND ANNUAL International Credit Union Membership Drive reports not included in stories published earlier were received from Colorado and Texas. Following are the figures to date:

	Credit Unions	New Members Reported
Previously reported	3,122	55,938
California	206	4,968
Texas	42	2,459
Colorado	32	707
Total	3,402	64,072

The present total is an increase of 12,906 over last year's total of 51,166.

1. Loans for the repair of a coal stoker.
2. Loans for the replacement of a stoker that is worn out, damaged beyond repair, or destroyed.
3. Loans for a stoker to be installed in a heating system being converted from oil to coal.
4. Loans for a stoker to be installed in a heating system being converted from hand-fired coal to stoker-fired coal.

The regulation was suspended temporarily in the Fourth Federal Reserve District in regard to loans to finance the replacement and repair of real or personal property damaged or lost by persons affected by floods in Cincinnati and other Ohio River areas in the District during the week of March 4, 1945. Credit unions which grant loans under these provisions should be sure to keep in their files written evidence or a signed statement of the borrower setting forth the basis for exemption of the particular loan from regulation.



In
Memorandum
May 30, 1945

THE BRIDGE

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7th War Loan

The Seventh War Loan Drive will extend from May 14 to June 30. See page 100.

CUNA

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THE BRIDGE—May, 1945

VERY early in his administration, June 26, 1934, President Roosevelt signed the Federal Credit Union Act authorizing a Federal Credit Union System.

Earlier yet than that, when he was a New York State Senator he introduced a bill which would have set up credit union-type organizations for rural groups, but withdrew it after learning that the Russel Sage Foundation was introducing a similar act, which was enacted.

Now that he has left us, after performing so many actions in the interest of all people, we like to think that the credit union movement, although small in proportion to its potentialities, represents well the philosophy which guided our late president. His wholehearted approval of credit unions was, we feel, typical of him.

After the last election he described himself as "a little left of center." We would say that credit unions are "a little left of center."

Credit unions are based upon, built upon, the experience of the past, but they are a growth away from the exploitation of individuals which made and still make many lives difficult and lamentable.

Credit unions conform to the lines of private ownership and individual enterprise, which our past has developed, but they help individuals build up collective funds and use them for the common good—without losing their individual identity.

Credit unions are evolutionary, not revolutionary.

Credit unions work toward the time when there will be equal opportunity for all; toward the time when each man will have the means to develop his full potentialities.

Credit unions encourage, and offer experience in, democratic action.

Credit unions offer a lesson we all should learn: They show that the average man can improve his lot if he sets his mind to it and unites with his fellow men who feel the same need he feels; that we must not say a thing can not be done, or should not be done, because it has not been done before.

Credit unions also show the personal benefits that come from service to others. "If you would be a leader of men, you must first serve men." Many credit union leaders will testify that he "found himself" only after he had devoted himself to credit union service.

Credit unions, then, are a part of the democratic, developing aspirations President Roosevelt had for the country and the world. In part, at least, they may be termed a memorial to



Gendreau

Let us move forward

with strong and active faith

him and his fine administration.

How great a memorial they will prove to be is still, of course, left to us. But already the Federal Credit Union Act, and the encouragement it gave credit unions generally, has served the cause of progress well and has proved to be a fitting testimonial of the vision and human sympathy of the leader who signed it and whom we now mourn.

Let us who are taking a leading part in furthering one of the progressive movements which received great impetus during his administration heed particularly, and respond wholeheartedly, to the challenge he threw out in the last words of his last message to us, which he was to have spoken on

April 13, 1945—the day after he died:

"Today as we move against the terrible source of war—as we go forward toward the greatest contribution that any generation of human beings can make in this world—the contribution of lasting peace, I ask you to keep up your faith. I measure the sound, solid achievement that can be made at this time by the straight-edge of your own confidence and your resolve. And to you, and to all Americans who dedicate themselves with us to the making of an abiding peace, I say:

"The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."



DO YOUR PART—KEEP ON BUYING!

7th War Loan

THE 7TH WAR LOAN DRIVE, which starts on May 14, has the biggest quota for individuals of any drive yet—seven billion dollars, of which four billion dollars are in Series E bonds. This highlights the fact that there is still a tremendous amount of fighting to be done on the Pacific—and very likely in Europe too—and that the supply problem is getting greater rather than less all the time.

A government leaflet points out that "while in the Battle of Europe supply ships from our bases in England had only an overnight run to make, ships in the Pacific have long-reach round trips taking up to five months to make," and that "the destruction of Japan's armies has not yet reached the annual rate of normal replacements—between 200,000 and 250,000 men a year. And the Jap, as our men in the Pacific know, fights to the death."

This means, of course, that credit unions have the duty to divert any excess funds into war bonds, and to take advantage of their opportunity to encourage their members to buy bonds to the maximum of their ability.

Those credit unions which have the maximum of Series F and G Savings Bonds, will be interested in the following issues which will be made available on June 1:

2½ per cent coupon or registered bonds. In \$500 to \$1,000,000 denominations, maturing on June 15, 1972, redeemable on and after June 15, 1967.

2¼ per cent coupon or registered bonds. In \$500 to \$1,000,000 denominations. Maturing June 15, 1962, redeemable on and after June 15, 1959.

1½ per cent coupon or registered bonds. In \$500 to \$1,000,000 denominations, maturing on June 15, 1950, redeemable at maturity.

¾ per cent coupon certificates of indebtedness. In \$1,000 to \$1,000,000 de-

nominations, maturing June 1, 1946—one year after issue date.

If your board of directors has not already considered the advisability of investing in more bonds during the drive, or of sponsoring a drive among credit union members, it may be desirable to call a special board meeting.

Some credit unions are establishing special interest rates on loans for the purpose of buying war bonds—as low as ½ of 1 per cent on the unpaid balances.

Such loans are exempt from the restrictions of Regulation W.

Informal Democracy

BEFORE HIS DEATH GLENN FRANK, President of the University of Wisconsin, sickening of the "cat-and-dog fight of partisan politics," suggested "Quakerizing American politics." He quoted from G. von Schulze Gaevernitz's *Democracy in Religion*:

"The meeting opens with a period of silent worship when each member strives to enter into the holy fellowship, and opens his inward ear to the voice of the Spirit. Then follows the discussion.

"There is ample opportunity for the free expression of opinion and for the leaders to exercise their influence. This is all the more possible because those present have not come to press their own settled view, but to arrive at a new and, if possible, unified opinion, for in the last resort all truth is one. With absolute freedom of speech the members are accustomed to self-restraint through their silent meetings for worship.

"Finally the chairman, known by the modest name of clerk, declares that this or that is what he 'feels' to be the sense of the meeting, which he writes down unless there is any ob-

jection. Should there be any serious difference of opinion, a period of silence is interpolated, in which the gathering earnestly seeks to know the divine will about the question before it. Thereupon follows further discussion, until one will has made itself evident. Should this not occur and some difficult objection remain, the meeting disperses without coming to any conclusion. For Quakers do not coerce a minority by means of a majority.

"Chatterers are privately warned, though not without patient love and sympathy for human failings and peculiarities.

"In many cases minorities do not press their opinion, but submit voluntarily to the majority which in time they hope will be ripe for what they feel to be progress."

Glenn Frank continued: "I do not, of course, suggest that a political campaign be converted into a process of 'silent worship,' but we need to Quakerize our campaigns to the point of sincere collaboration in a quest for fresh policy rather than leave them insincere competitions for the spoils of office."

The Quakers did not invent this method of determining the public will. It was common in primitive communities all over the world. The modern community does well to relearn that method. It leads to unity and good will, and not to the resentment of defeat or to the arrogance of victory. Voting and democracy are not synonymous, and democracy is much the older.—COMMUNITY SERVICE NEWS.

Points to Boost

JOHN COLBY, Cuna fieldman, speaking at a Wichita, Kansas, Chapter meeting listed the following points which he believes credit unions should stress at the present time:

1. Members should be encouraged to practice thrift.
2. Share money should be kept available for members.
3. We should believe in our own ability to manage our credit unions.
4. We should believe in the honesty of the average man, and in human rights as against property rights. Directors should not put restrictions on the credit committee.
5. We should believe in organization in order (a) to protect credit unions, (b) to develop and perfect credit unions, and (c) to start new credit unions.
6. We believe in democracy—one member; one vote (a) in credit union, (b) in league, and (c) in Cuna.

Saskatchewan Wins Plaque

Harry Finch, of Windsor, Ontario, Gets Individual Award

SASKATCHEWAN is champ this year. It has won possession of the "Little-Man-Under-the-Umbrella" plaque which is awarded each year to the credit union provincial or state league organizing and holding the most credit unions per thousand of population. Last year's winner, Alberta, was runner-up.

Harry Finch, of the Windsor (Ontario) and District Credit Union Chapter and of Printers Industrial Credit Union, has won the \$100 war bond awarded each year to the individual organizing the greatest number of credit unions per thousand of population in the area where he lives.

Decision as to the winners was made by Cuna's executive committee at its March meeting, and was based on new scoring rules, designed to allow for differences of size, age, and type of membership field of the different leagues and of the provinces or states which they serve.

Seventy-five points (divided as follows: 25, 20, 15, 10, 5) were distributed in each of four categories. As a result, the maximum obtainable by any league, if it were top in all categories, was 100.

Following is the list of leagues receiving points:

Saskatchewan	51.25
Alberta	40.00
British Columbia	35.00
Ontario	25.00
Manitoba	21.25
Prince Edward Island	21.25
Connecticut	20.00
Massachusetts	15.00
New York	10.00
Arizona	6.25
Kentucky	6.25
Mississippi	6.25
Montana	6.25
New Hampshire	6.25
Rhode Island	6.25
Utah	6.25
Hawaii	6.25
Quebec	6.25
Michigan	5.00

The Four Categories

Point winners of the four categories are:

1. Organization of new credit unions per thousand of population.

Saskatchewan	25.00
British Columbia	20.00
Prince Edward Island	15.00
Alberta	10.00
Manitoba	5.00

2. Percent of increase of new credit

unions over the new credit unions organized in the previous fiscal year.

Alberta	25.00
Connecticut	20.00
Massachusetts	15.00
New York	10.00
Michigan	5.00

3. Per cent of increase of credit unions to the total credit unions in the province or state.

Ontario	25.00
Saskatchewan	20.00
British Columbia	15.00
Manitoba	10.00
Alberta	5.00

4. Least per cent of liquidation of credit unions to the number of existing credit unions in the province or state.

Arizona	6.25
Kentucky	6.25
Mississippi	6.25
Montana	6.25



New Hampshire	6.25
Rhode Island	6.25
Utah	6.25
Hawaii	6.25
Manitoba	6.25
Prince Edward Island	6.25
Quebec	6.25
Saskatchewan	6.25

This is the third year the awards have been granted. In 1943 Utah won the plaque; Karl A. Little, of Salt Lake City, Utah, the individual award. In 1944 Alberta carried away the plaque; Richard T. Legerman, of Kansas City, Kansas, the individual award.

In setting up the method of determining the winner of the plaque, as indicated above, the executive committee ruled that the plaque be awarded each year "until a league has won it three consecutive years, at which time that league shall have permanent possession of the plaque, and a new plaque shall be purchased to be awarded in the years thereafter."

Individuals who wish to participate in the contest for the individual award during the present fiscal year ending February 28, 1946, should, in order to facilitate the determination of the winner, send their names and addresses to Cuna Managing Director Tom Doig, and keep Mr. Doig informed of their progress.

If desired a Volunteers Organizers Kit for which there is no charge will be furnished. Mr. Doig will also aid any league which desires his assistance in analyzing the organizational problems of its province or state, and in planning an organizational program.



Harry Finch, center, winner of 1944-45 Cuna's Individual credit union organizers' award, checking over charter applications of three Ford Motor Company credit unions with fellow credit union workers. Picture reprinted from November, 1943, BRIDGE.



It's Your Money

UP IN THE BERKSHIRE HILLS of Massachusetts are the mills where is made the paper for Uncle Sam's money. The contract was given to this firm long ago because, after years of experiment and research, the experts of that paper concern invented a paper which cannot be counterfeited.

Through all these years the secrets of this paper have been carefully kept. Only the owner of the mill knows the process by which the paper is made. He received it from his father. This secret will be passed on to the son of the present owner of the mill. So long as this family successfully guards the secret this firm can continue to make the paper for the government.

Although the mills turn out millions of sheets of money paper every year, not once has a single sheet of it been mislaid or gone astray. The employees are carefully guarded, and the paper is checked and rechecked, so there is little chance of learning the secret. Criminals would give a great deal to be able to learn it.

The paper is of the toughest linen. The plates from which money is printed are made with the most exacting care. The public is not permitted to see the engravers at work, nor does any one engraver prepare an entire plate. It usually takes about a year of continuous work to complete one of the original plates. The money is never printed from these originals, but from duplicates.

The fine lines on paper money are made upon the original plates by a geometric machine which has as many combinations as the best safe lock, each combination producing a different design. Each bill contains many symbols which tell the initiated from which plate it was printed, who engraved the plate, and who printed the bill. It requires about 20 days to complete the intricate process of getting a piece of paper money ready for circulation, during which period it is counted about 50 times. The average life of paper money in the United States is less than two years, depend-

ing upon the denomination.

What becomes of the old paper money? This question naturally arises in a bank depositor's mind as he stands in line at the teller's window and watches request after request for "new bills" satisfied. Worn-out paper currency turned in for redemption piles up fast in the Treasury Department. For many years, worn and mutilated currency was destroyed by maceration, which was abandoned several years ago in favor of incineration, with three incinerators, each having a capacity of 1,430 pounds per hour, put in use to dispose not only of old currency but of retired securities and waste paper. It recently was announced the Treasury would return to the maceration process in an effort to conserve strategic materials, and the necessary machinery is now being installed.

Macerating is done in large cylinders in which are placed the materials to be destroyed, to which are added large quantities of alkali. The cylinders are then sealed and steam is applied, following which they are revolved for a period of 24 hours with the result that all of the paper is reduced to a high-grade pulp at a rate of about five tons a day.—*Reprinted from THE KABLEGRAM, published by Kable Brothers Company, Mount Morris, Illinois; Carl Borklund, editor.*

Murphy Article

"EMPLOYEE CREDIT UNIONS" is the title of an article by C. E. Murphy, executive secretary of the California Credit Union League, which appeared

in the March 1945 issue of *THE CALIFORNIA STATE EMPLOYEE*.

After reviewing briefly the history, purpose, and method of operation of credit unions, Mr. Murphy had this to say about state employee credit unions:

"There are over 450 credit unions in California with a membership in excess of 200,000 persons. Of these there are 18 credit unions directly serving the needs of employees of the State of California. Nearly all of them were sponsored by the California State Employees' Association and their membership approximates 5,000 individuals who have accumulated savings of more than \$600,000."

Savings and Loan

The Wyoming Valley Credit Union Chapter, in Pennsylvania, is moving into the savings and loan field. On January 19, 1945, it obtained from the State of Pennsylvania a charter to operate the Co-operative Savings and Loan Association of Wilkes-Barre, which will serve within a 50-mile radius.

The Chapter took this action after extended study, and with the cooperation of labor groups of the area, and of Horace H. Eshback, chief of the Building and Loan Bureau of Pennsylvania.

Like the New Jersey credit unions, (see January *BRIDGE*), these credit unions believe this new step will increase the range of savings and loan service available to their members, and provide a use for the excess funds of their credit unions.



Incorporators of Co-operative Savings and Loan Association of Wilkes-Barre, Pennsylvania
Seated are John Schappert, St. Nicholas F.C.U., Harold Phillips, Ernest Shuba, Co-Operative Railway Employees F.C.U., Clarence O. Aicher, Belco F.C.U., Joseph A. Geiser, St. Nicholas F.C.U., Chas. J. Dougherty, Belco F.C.U.

Standing are Clarence E. Brown, PennWilco F.C.U., Harry S. Allen, Francis Fluegel, Andrew Lukas, Co-Operative Ry. Em. F.C.U., Fred J. Andes and Wm. C. Welhbrecht, St. Nicholas F.C.U.

"The Trees Are There"

Five neighbors join together to draw maximum return from nature's bounty, which they found at their very feet.

NEAR ALPINE, Tennessee, five neighbors have organized a Walnut Club. It had for its original purpose cooperative, harvesting, cracking, curing, and marketing of black walnuts. During the four years of the club's existence another purpose has emerged. This has to do with a program for improving the quality of the nuts through careful selection and grafting.

The community is in the Cumberland Plateau. There is a limestone ridge where walnut trees thrive. When asked about the origin of their idea, the people reply simply, "The Trees are There."

As a matter of fact, the trees have always been there. The people, for many years, have cracked and sold a few nuts each fall. It is only during the past six years, however, that anyone has begun to think of walnuts as an important local industry. Even yet beginnings are small, but there is a purposefulness in planning that promises well for the future.

In 1939 the Young People's Society of Christ Church under the leadership of the minister decided to get and market walnut kernels to help its treasury. At that time, the prevailing price was 19 cents a pound. The young people were impressed by the amount of work and patience involved in cracking the hard black walnuts and extracting enough kernels to get a pound ready for market. The price seemed inadequate. They were further impressed by the difference between the selling price and the retail price on the city market where the supply never seemed to equal the demand.

An objective examination of the facts convinced them that there was a difference between the local product and the one bringing the high prices in northern cities. The difference was not in nature's product but in man's method of handling and processing. The minister sent for Department of Agriculture bulletins. With the help of these, the young people were able



to offer for sale an improved product. In 1941 the Young People's Society decided not to continue the walnut gathering project. It was then that the group of neighbors went into business for themselves. Thus the Walnut Club came into existence.

Premium Prices

From studying the government bulletins and from months of careful experimentation, members of the club learned ways of improving their product without greatly increasing the labor. They discovered and acquired a hand-operated cracking machine that was better and easier to use than the hammer. They found a friend in a northern city who was willing to help with the marketing of the greatly improved product. As a result in 1943-44, when local retail prices were 65 cents a pound, club members received \$1.30 a pound for their standard quality product on their specially developed northern market.

Some years the club has decided to buy and market products of non-members. When this is done non-members are paid prevailing market prices. The kernels are then processed by the club to prepare them for the special market. Thus it makes sure of the standard quality which assures continued high prices.

Careful attention has been given to the differences in nuts produced by different trees. It has been discovered that some trees yield fine, easily cracked walnuts. Others yield nuts that are not worth the gathering. Now, year after year, the nuts from the good trees are gathered, and the others are disregarded.

From selective harvesting, the step to trying to improve the poorer trees was a natural one. Grafting of fruit trees was not a new idea. According to government bulletins, the same principle could be applied to black walnut trees. The best local stock could supply the grafts. Investigation of walnuts in other areas was begun, and some grafts are now being brought in from outside. This process, of course, will not yield the immediate

results that came from careful selecting, cracking, and processing. It can, however, be developed along with a steady marketing of the present supply.

Advantages of Joint Action

Working as a club rather than as individuals has many advantages. Members can pool their produce and thus have enough to supply a regular market. They can study and discuss the bulletins together and learn from each other's experience. They can buy cooperatively equipment such as cracking machines that would be too expensive for one family to own. It was through the use of the electric cracking machine that a member with only one arm was able to earn \$50 in his leisure time during two months. His nuts were his most profitable crop. It was the one crop he had not had to plant and work. "The Trees Were There." The harvest alone required his time and attention.

Club members and sponsors say that thus far the demand has been much greater than they have been able to meet. They have never, however, exhausted the supply available. The best prices are paid between November 1 and January 1. It is sometimes difficult for farmers to get their corn harvested in time to get kernels ready for market as early as this. Later in the season when they have the necessary leisure, nuts must be sold for much less money. In the year just past the club reports that a very wet season kept everyone out of the corn fields. The nuts were harvested early and sold high. The corn did not suffer. Letting the corn wait may become an annual practice.

At present, of course, many members of families are away working in defense industries or serving in the armed forces. But the club is looking and planning toward the day when a peace-time leisure may return to their plateau. In the past, the income from walnuts was regarded as extra cash-money to be used for little luxuries. In the future it bids fair to become a regular and not insignificant part of the farmer's livelihood. The trees are there. And the people feel sure there will always be a market for the fine quality product that man's resourcefulness has developed from this one of nature's resources.

The above article is reprinted from a leaflet with the same title, which is one of the "New Dominion Series" published by the Extension Division of the University of Virginia, Charlottesville, Virginia.

What About It?

by Tom Doig

Questions and answers to your problems

Federal Revenue Form 990

Question (from Ohio): Do all credit unions have to file a return with the Internal Revenue Department?

Answer: Yes, the Federal Revenue Act of 1943 requires all non-profit corporations to file each year a report of their annual income and disbursements.

This report (Form 990) covering 1944 income and disbursements must be filed by May 15, 1945.

I am informed that the office of the Collector of Internal Revenue has mailed Form 990 to credit unions.

However, if your credit union has not already received a copy, I would suggest that you call or write to your local Internal Revenue office, so that you will not miss the deadline—May 15.

Form 990 is the same report that was filed for the first time last year.

Before a credit union filed its first Form 990, it was required to file a claim for exemption and, once filed, it is not necessary to apply for exemption again.

No doubt all credit unions that were in existence during 1943 filed a claim for exemption (if they had not already done so) as well as Form 990 by May 15, 1944.

Therefore, credit unions organized in 1944 should be sure to first obtain from their league or Cuna an exemption form blank, before filing Form 990.

And Note That—

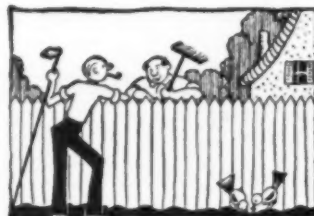
TAX EXEMPTION CLAIM DOES NOT REQUIRE SUPPORTING PAPERS

It appears that some government officials are asking credit unions to file copies of their Articles of Incorporation and By-laws to support their claims of exemption from income taxes.

The Commissioner of Internal Revenue, Washington 25, D.C., has ruled (in a letter dated September 19, 1944—reference symbols: IT:P:T:1—WLH—addressed to the Credit Union National Association) that no extra papers were required to support the form "Claim for Exemption of Federal Income Tax" approved by the Commissioner and furnished by state credit union leagues and Cuna.

More Than One Loan

Question (from Manitoba): Is it possible for a member to have more than one loan at a time from his credit union?



You are invited to submit your questions on any credit union problems to this department. You are also welcome to contribute your own ideas on the answers printed here. What's on your mind?

Answer: Yes, it is possible and quite frequently it is quite desirable both from the standpoint of the borrower and the credit union.

Let me illustrate. A member might borrow \$800 and give as security a chattel mortgage. This transaction involves the completing of at least several papers. Now let us suppose that this person's wife breaks her glasses and needs \$25.00 for a new pair.

If he needed to borrow this \$25.00 for say only a month or two, it would be more desirable and practical for the credit union to accept another note rather than to rewrite the \$800 loan.

The point to consider is the need for the loan and the total amount of credit extended rather than the number of notes.

Minimum Interest Charge

Question (from New Jersey): Can we fix a minimum interest charge on three-month loans? We operate under a Federal Charter.

Answer: The Federal credit union law specifically provides that a credit union may not charge a rate of interest in excess of 1% per month and that this interest rate shall include all costs to the borrower in obtaining the loan.

Therefore, it would be improper and illegal for your credit union to set a minimum amount of interest on short term loans if this amount exceeded 1% per month on the unpaid balance.

Stimulate Saving

Question (From California): Since most credit unions have surplus funds, do you believe that we should continue to urge our members to increase their share accounts?

Answer: I most certainly do. One of the primary purposes of the credit union is to help people to save.

Credit unions should continue their thrift encouraging program and if possible step it up.

I say this because I believe that a member that has a saving accumulation is more self reliant and independent and these characteristics make better citizens.

In the post-war period our members are going to need their savings. Further I believe that the funds of most credit unions are not yet sufficient to finance the purchases of our members when consumer goods are again available.

Before the war many credit unions had to borrow to take care of their loan demand.

If we do not serve our members now by accepting their savings, they will take them to other places and we shall discover that they won't come back to us again when our credit union has a more urgent need for their money.

Workmen's Compensation Insurance

Question (From New York): May the board of directors of a federal credit union purchase Workmen's Compensation Insurance covering the treasurer, assistant treasurer or any employee?

Answer: The board of directors of a federal credit union has the power to purchase Workmen's Compensation Insurance covering the treasurer, assistant treasurer or any employee.

It might conceivably insure the life of the treasurer but only if the federal credit union was named beneficiary. The federal credit union at a regular meeting of the members could arrange to pay the premiums of an insurance policy on the life of the treasurer even if the federal credit union was not named as beneficiary, if the members understand that the amount of the premium is a part of the compensation which is to be paid to the Treasurer.

Interpreting Delinquency

Question (From Texas): We are having some difficulty in interpreting the term "Delinquency" in our credit union and would appreciate a clarification of the word.

We have been told, for example, that if a member owes the credit union \$500.00 which is to be repaid at the rate of \$50.00 a month, plus interest and for some reason misses a payment, that the entire balance of the loan is delinquent and remains that way even though he continues his payments regularly in subsequent months.

Others take the position that only

the part of the loan that is past due is delinquent, in this case \$50.00.

Our contention has been that if a part of a loan that is not due is delinquent because a payment is missed and many of our best customers do this occasionally, the term delinquency is a technical term and meaningless, so far as indicating the true condition of our credit union.

We have a Federal Charter.

Answer: I believe that in the forms which you are required to fill out and send in periodically to the Federal government that it is necessary for you to list all of your loans, showing the number which are in a completely current condition and the number which are sixty days or more delinquent.

As stated in your letter, this term "delinquent loan" is technical. In actuality the member may have missed just one payment or two payments and legally only the one or two payments on his loan are delinquent. I believe the forms of the Federal Government and the reports we are required to make to the government are set up as they are in order to help us and in order to call our attention to any loan which begins to lag in any way. The fact that we must list a loan in the delinquent column does not indicate that it is a bad loan or that there is any danger connected with it or any stigma. It simply means that this is a loan on which payments have been missed and that we should watch to see that too many payments are not missed.

How Does It Tick?

By J. DEANE GANNON, Supervisor Credit Union Division, Wisconsin State Banking Department. Reprinted from WISCONSIN CREDIT UNION NEWS, published by the Wisconsin Credit Union League.

It used to be a popular pastime for boys and the handy man to take a clock apart to see what made it "tick." Unfortunately, when they did find the answer, they weren't able to apply their knowledge and usually when the clock was put together, there were parts left over.

During the past year, I have come to the conclusion that the difference in credit unions is the difference in the quality of "what makes it tick." The main spring which furnishes the power for credit unions is *management*. Those credit unions which enjoy good management are the outstanding ones in the state. The ones which are not, are definitely lacking a good "main spring" and accomplish

only as much as their "power" permits. By this time the majority of annual meetings have been held and new directors have been elected and some have been reelected. It is certainly a good time then for each board to appraise itself. The success of each credit union during 1945 will be as great as the management is capable and desirous of. If you find that, upon frank examination, you have been doing a poor or only fair job, then decide to improve your effort and desire to do not only a better, but the best job possible. Those who haven't the will to do that should resign in favor of someone who will.

Many Cogs and Wheels

In the clock there are many cogs and wheels which are driven by the main spring but which when coordinated help the unit render service. There are these coordinated aids in credit unions too, and they can be of great assistance *with* good management, but accomplish little without it. One of great importance is the local credit union chapter. During the last year I had the pleasure of being invited to attend a number of such activities and to observe their programs. We can actually measure their success when examinations are made within their sphere. At these meetings there is the opportunity for all to benefit. The more experienced can be of material aid to those newer in the business and yet will benefit by helping others in solving new problems which arise. It is unfortunate that, at best, only about 60% of the credit unions have access to chapters and actually this percentage is decreased due to the fact that some chapters are doing very little and some others are dormant. In these communities we know that many directors and treasurers are most anxious for aid and advice but the chapters have failed to offer such service. If you want to improve your own management see that your directors attend chapter meetings and if your chapter is inactive, recreate an interest in it and make it "tick." From my observation, chapter activity is a crying need in Wisconsin, and I hope

that 1945 will bring a vast improvement.

There are many other cogs in the credit union field. Your State League and National Association are anxious to be of assistance to you. This aid, however, will be in proportion to your desire for it and the extent to which it is used.

Lastly, we feel that the Credit Union Division is of assistance to you in operating a good credit union. I have tried to impress upon you that our job is not one of a policeman and I hope that you will remember that we want to give you any reasonable help. Supervision, however, *can never be a substitute for good management.*

The months of 1945 which are ahead of us will certainly be interesting ones for credit union operations. Some problems may be very grave. The extent to which you will solve these problems will depend upon whether you have good, fair, or poor management.



A Good Leader

THE FOLLOWING POINTS taken from a professional training film as reported in FILM WORLD might well be born in mind by credit union leaders as they assume new responsibilities in their credit unions, as well as in their other activities.

A good supervisor (1) never makes promises to his men which he cannot keep; (2) he gives credit for new ideas where credit is due, never taking credit for someone else's ideas; (3) he never plays favorites—always gives a square deal; (4) he doesn't pass the buck—is always ready to admit his mistakes rather than place the blame on one of the men under him; (5) he never lets added responsibility go to his head; doesn't become high hat and snub fellow workers when promoted to a better position; (6) he is always quick to show appreciation for a job well done (a little praise now and then reaps big dividends); (7) he never loses his temper; never "bawls out" his men—he must be master of himself if he expects to hold the respect of those under him; and (8) he is sincere and gets the loyalty of his men; so that he can expect and will receive their complete cooperation.

These qualities would appear to be even more important for leaders of voluntary workers, than they are for supervisors of paid employees, important though they be in both cases.



"Copy!"

for your educational and publicity program

CREDIT union officials may find these suggestions helpful in preparing informational material about the services their credit union offers their members. These may be used—either without change or adapted to special uses—in payroll inserts, circulars, blotters, posters, bulletins, advertisements, company house organs, or other appropriate mediums at hand.

The illustrations may be traced on mimeograph stencils, reproduced directly by a photo-offset process, or made into line-cuts for the standard letterpress printing.

Each release should, of course, also contain full directions as to when and where credit union service may be obtained. The name of the credit union, its location, its business hours, and any other helpful information should be given.

¶ It may also be noted that credit unions and credit union organizations affiliated with CUNA may lift any BRIDGE items freely for their publications and releases. *All others should observe the copyright and obtain written permission from The BRIDGE, before using this material.*

Suitable credit should, of course, be given in the case of signed articles and illustrations. The BRIDGE need not, however, be mentioned as the source of the material, although where it seems suitable to do so, this will be appreciated.

The BRIDGE would greatly appreciate receiving copies of any and all publications credit unions issue, so that it may know what credit union people are finding most effective, and so that it may pass on to others good new ideas developed.



Congratulations!and a word of advice.

If you would be happy in marriage
And have a home of which you can be proud,
Here's a step you should not disparage:
Join your credit union's thrift and loan crowd.

Wise Men Say—

¶ One cool judgment is worth a thousand hasty councils. The thing to do is to supply light and not heat.—Woodrow Wilson.

¶ There are three faithful friends—an old wife, an old dog, and ready money.—Benjamin Franklin.

¶ Good humor is one of the best articles of dress one can wear in society.—Thackeray.

¶ All actual heroes are essential men, and all men are possible heroes.—Browning.

¶ If you want to be of real use in the world, do something for children.—David Starr Jordan.

¶ If you don't think the devil is hard to resist, try resisting him sometime.—Seth Parker.

¶ Money doesn't always bring happiness. A man with ten million dollars is no happier than a man with nine million dollars.

¶ When I was a boy of fourteen, my father was so ignorant I could hardly stand to have the old man around. But when I got to be twenty-one I was astonished at how much the old man had learned in seven years.—Mark Twain.

¶ How poor are they who have no patience! What wound did ever heal but by degrees.—Shakespeare.

It's a Fact That—

¶ Camembert cheese was originally the work of Madame Herel, a French farmer's wife. She left all the cream in her milk instead of skimming it, as was the local custom. Gradually people all over Normandy began asking for her cheese. Her home town, Camembert, was so pleased with the fame and prosperity brought to the town through the cheese that the citizens erected a statue to her as the founder of Camembert cheese.—The Manitoba Cooperator.

¶ Assets of the Edmonton Fire Fighters Credit Union, in Alberta, climbed from \$165 in 1941 to over \$34,000 at the end of 1944. Average savings of members rose from \$5.71 to \$242.

¶ Ernst H. Ludwig, Jr. treasurer of two credit unions—Chicago Catholic Workers and St. Alphonsus Parish in Chicago, Illinois, has turned in about 150 BRIDGE subscriptions in recent months.

¶ The UNRRA Federal Credit Union, Washington, D. C., which has recently received a charter, has on its board of directors and committees a Russian economist, a Negro messenger, a Chinese lawyer, a Dutch financial expert, a Syrian investigator, a Negro clerk, and two native Americans, one of which has had 12 years' experience in another credit union.

¶ Woodridge Cooperative Federal Credit Union, Woodridge, New York, contributed \$200 to the Freedom Fund at its annual meeting. This fund is being sponsored by the Cooperative League of the USA, Chicago, Illinois, to help rebuild cooperative enterprises in war-torn countries.

¶ The Greater New York Federal Credit Union, New York, New York, which serves officers of New York credit unions, voted to contribute a one per cent dividend to the Freedom Fund. In Madison, Wisconsin, Cuna Credit Union and Co-op Credit Union each contributed \$10. Other groups and individuals who wish to help the rebirth of war-destroyed cooperatives (Fortune Magazine has referred to these cooperatives as 'one of the hopes of the postwar world') may send contributions to the Cooperative League of the USA, Chicago.

¶ If all the United States dollar bills in circulation on December 31, 1944 were laid end to end they would stretch almost four times around the world.

☞ One out of three persons who die between the ages of 5 and 19 is killed by an accident, according to the National Safety Council.



Eggs-actly

"NOW DON'T GET ME WRONG," warned Bill, the farm expert in the office. "Chickens don't just grow—that is, if you want them to pay their way."

Bill had been showing off his thriving victory garden and his flock of white rocks to his guests who had just finished filling themselves with chicken from that flock, and with vegetables and fruit from last year's harvests.

"When I say it isn't so much trouble, I mean—if you know how, and if you have the proper housing and equipment."

"It must cost quite a bit to get started," one of the fellows remarked. The whitewashed hen house with its automatic water system, and other modern equipment was impressive.

"Well, I try to take care to get only what is required to make for best production. Temperature control, cleanliness, good feed, plenty of clean water, and good stock are essential. You should have enough funds to provide these; and in any case you should start small the first year, so that the mistakes you are sure to make won't be too costly. I figure my flock didn't begin to pay dividends in cash savings till my third year—although of course we ate more and better meat and eggs with it than we would have without it.

"If you are interested, the thing for you to do is to read all the government bulletins—and all the books in the library—on chicken raising—and then to get the best—not necessarily the most expensive—equipment and stock you can afford. And you know if you don't have enough cash to finance the project adequately, there's always the credit union at the office to help you out with a loan. That's where I got the money to buy my brooder battery."

"I suppose," one of the others observed, "you might say that such a loan fulfilled one of the credit union's prime purposes exceedingly well, since it helps the borrower make his income go further. It helps make two eggs grow where only one grew before."

"Eggs-actly," Bill agreed.

Thrifty Tips

☞ **SAVE MORE FUEL** pennies by using ovens for preparing complete meals rather than single dishes. Saves time and steps, too. Stagger pans on the oven racks in order to provide best circulation and least consumption of heat.

☞ Halving large potatoes before baking saves time and fuel.

☞ Saving a lot of electricity is as simple as this: Immediately after you are through using your electrical appliances, remove the plugs.

☞ To prevent waste in measuring shortening, use the water-level method. For example, if you need $\frac{1}{2}$ cup shortening, fill a measuring cup to the $\frac{1}{2}$ mark with water. Drop in the shortening, push it under the water; continue until water reaches the 1-cup mark. Drain off the water. For $\frac{3}{4}$ cup of shortening, start with $\frac{1}{4}$ cup water; for $\frac{1}{2}$ cup, start with $\frac{3}{8}$ cup water, and so forth.

☞ Day-old bread is not only cheaper and just as nourishing, but actually better for the teeth and gums. It makes better toast, too.

—The above are selected and adapted from 800 WAYS TO SAVE AND SERVE, published by the Handibook Library, New York.

☞ One hour in the sun will permit the loss of 40 per cent of the reboflavin content of milk.

Small Oranges Best Buy

The United States Department of Agriculture, after three years of testing, reports that small oranges are better for the family's breakfast juice than the large ones. The small fruit is said to give a greater return for the money . . . it yields juice that is higher in solids, acid, flavor and vitamin C than that obtained from medium-sized or large oranges. A horticulturist from the department says that if quality of juice were the only guide to price, small fruit would invariably be the most expensive instead of the least, as it now is.

Buying Children's Shoes

Shoe rationing and the hard use which children normally give shoes makes care in buying especially important. In selecting shoes remember that both the kind of material used and the type of construction influence the wearing qualities. Leather used in the uppers should be firm but still soft and pliable—soft calf or elk is best. Hard tips of shark skin or cordovan (horse-hide leather) add wear to toes. Leather should feel smooth and firm . . . it should not crack when bent or dent easily when pressed with fingernail. In construction, stitch-downs are flexible and cheap . . . welt shoes are easier to resole . . . compo



Wedding Bells?

IF WEDDING BELLS are ringing tunes of joy for you, credit union savings, and perhaps an economical credit union loan or two, will help those bells ring true.

or cement type construction is best for dressy shoes. Up to age 3, shoes should have no heels . . . age 3 to 5, heels should be twice the thickness of the sole . . . age 5 to 12, heel may be one-half to three-fourth inches high. Be sure of snug fit around heel to give support and avoid rubbing . . . toes should be deep and roomy. Choose light-weight shoes for young children, heavier weight for older ones. Thicker soles are better, if flexible. Go to a store that specializes in fitting children.

Will Do—With Care

THE ONLY RUBBER FOOTWEAR now available is made of reprocessed rubber. Such waterproof overshoes are adequate but require more careful handling to make them last. First, make sure that they are large enough to fit easily. Tight-fitting overshoes that must be forced on and off sometimes break. Second, don't yank or kick off overshoes . . . put them on and remove them carefully. Third, after using, wipe off dirt with a damp cloth—then wipe dry. Fourth, keep rubber footwear away from heat. Small tears or rips may be mended with tire patching materials. When storing winter overshoes for the summer, place in a dry, cool place . . . stuff the toes with newspapers.

Enamel Ware Care

A FEW SIMPLE PRECAUTIONS will materially lengthen the life of enamel

Educational Committee Tip

It is easier to plan a well-developed educational program if you obtain the help of the Loan Packet provided by Cuna Educational Services, Madison 1, Wisconsin. It may be borrowed for 30 days free of charge.



kitchen ware. Use of wooden spoons or forks for stirring foods cooked in porcelain enameled ware will prevent scratching of the finish . . . mild soap and water is the best cleaning agent as the finish is non-porous and food will not lodge in the enameled utensil . . . when the pan is stained, rub with bicarbonate of soda, wash off, rinse and dry. Original whiteness of stained enamel coffee pot may be restored with a weak solution of vinegar and water.

Burn Wrappings

A WARNING HAS BEEN SOUNDED that gifts sent home by soldiers may carry hidden dangers . . . the cotton in which a captured German helmet was wrapped was recently found to contain live bollworms—a destructive cotton pest. Once established in the country this worm would cause enormous damage and loss in our cotton producing states . . . All packages coming from overseas cannot be opened for inspection. Therefore, recipients of gifts should burn all packing—straws, grasses, cottons, paper, etc.—in order to destroy possible insects and plant and animal pests . . . such simple precautions may save your country untold damage and suffering.

Silk? Yes, But . . .

MUCH MISINFORMATION has been circulated about the thick linen-like silk weaves which have appeared in piece goods and ready-to-wear, according to WOMEN'S WEAR. The silk used in these goods comes mostly from the silk stockings collected in 1942. These stockings, it will be recalled, were to be garnetted and used in the manufacture of powder bags. Some of these old stockings were rejected because the yarn failed to meet Government standards . . . others, about 100,000 pounds, were sold as surplus. In this manner the reclaimed silk found its way into the consumer goods market. The high cost of the woven silks of this origin is due to the great amount of labor needed to prepare it for weaving.

For Grade Labeling

GRADE LABELING, when combined with brand and descriptive labeling, will increase confidence in the brand name, according to Jessie V. Coles and H. E. Erdman of the university of California. In the January issue of the JOURNAL

OF MARKETING they claim that producers, using the brand name for identification and advertisement, could in normal times obtain premium prices for better goods within a grade . . . even now under price control, although Grade A producers might lower standards to a minimum, high Grade B producers would try to gain Grade A classification. A recent survey of 1,020 women showed that of those noticing A, B, C labelling, three-fourths tend to favor the brand using such labeling. Drs. Cole and Erdman claim that grades need not be considered arbitrary . . . in the case of natural products, products just above and below the line do sometimes differ less than products within a grade . . . but manufacturers of several brands have to draw the same arbitrary lines. Most state or federal grades are the result of consultation with the trade and modification of grades developed by trade practice . . . graders are thoroughly trained to use chemical and physical tests instead of their own judgment . . . grading should not cover style and appearance but what the consumers can't evaluate themselves . . . flavor is determined by qualities that can be carefully graded, according to the authors.

More Money Needed

A DEPARTMENT OF LABOR survey has revealed that the average woman worker in New York State requires \$1,643.53 a year to maintain an adequate standard of living . . . this is more than has been necessary in the past. The greatest increases in living costs last year were in clothing and in clothing upkeep and personal care. It was found that clothing costs made up 15 percent of the working woman's budget . . . the rise in cost of clothing in 1944 amounted to 6.5 percent. Housing and food costs accounted for 36.8 percent of the total budget but increased only one-half of 1 per cent last year. According to the report, a

woman living* in New York City should budget her income as follows: housing, fuel, and light, \$178.92; household expenses, \$154.76; clothing, \$248.45; clothing upkeep, \$22.02; personal care, \$43.96; medical care, \$76.72; insurance, \$45.15; recreation, \$123.86; other essentials, \$89.60; income tax and war bonds, \$396.84. No figures are available to indicate how many women actually are earning the amount found necessary for an adequate standard of living.

Always Right?

THE OLD DEPARTMENT STORE SLOGAN that "the customer is always right" has been revamped at Lord & Taylor, New York. The management of the store contends that "the customer is always right but not when she unnecessarily or deliberately subjects an employee to abuse." In support of this policy, an order for some \$600 worth of apparel was recently cancelled because the customer abused the salesgirl.

For Class of 1955

IN THE 3 YEARS since Pearl Harbor over 1 billion dollars in war bond and stamp purchases have been credited to the boys and girls in schools, according to a report of the U. S. Treasury. Monthly savings average more than \$50 million, enough to pay for 200 heavy bombers for the fighting fronts now, and to finance a month at college for more than 833,000 of these same youngsters 10 years from now when their bonds mature. In short, a \$100 war bond now may pay for a month at college in 1955.

38 Billion

ABOUT 85 MILLION PEOPLE have bought approximately 700 million "E" bonds . . . total dollar value of "E," "F," "G" bonds sold between May 1941 and December 1944 is \$38,299,999,999 . . . subtracting redemptions, the American people hold \$34,700,000,000 . . . Estimated that average employee on payroll savings plans has bought better than one \$25 bond each month for the past two years . . . A survey has shown that only 48 percent of the bond holders have made plans for the use of their war savings bonds . . . of these 29 percent plan to use them for children's education; 29 percent to purchase homes or farms; 12 percent for an emergency fund; 8 percent for consumer goods, and 8 percent for their old age. Of the same group 15 percent have definitely decided to cash their bonds immediately after the end of the war . . . only 1 percent of all people interviewed think it justifiable to cash bonds now in order to buy consumer goods.





Military Loans No Problem

From THE CROSSOVER TO ECONOMIC BETTERMENT, published by the Educational Committee of the Metropolitan "L" Federal Credit Union, Chicago, Illinois:

At the beginning of the war when many of our members went into the military service who had loans with us, there was considerable concern by the officers about how the credit union would be affected. Not that anyone had any lack of faith in those who were called upon to fight for us, quite the contrary, but the fact remained that some of our funds would probably be tied up for the duration.

Our experience has been so good that we no longer consider this matter a problem. Some of our boys did continue to make their payments regularly even though they were working for Uncle Sam, and we have already had quite a number come back on the job and take up where they left off. Several who had large loans have paid them off and also deposited substantial amounts in their share accounts. How can we lose the war with men like these doing our fighting for us?

Lists New Members

The Dobeckmun Credit Union, Cleveland, Ohio, is another credit union which takes care each month to list the names of new members in its bulletin (or company's house organ). This credit union unites with The Dobeckmun Company Employees to publish THE DO-CRE-UN, a heavily illustrated printed publication devoted to employees' interests.

Hairedity

From the bulletin published by The Bull's Eye Credit Union, Wisconsin Rapids, Wisconsin.

"What pretty hair you have, Jean. You get it from your mother, don't you?"

"No, I s'pose I got it from daddy. His is all gone."

... if dad lost his hair worrying over those family bills he should contact his credit union for assistance. How about it?

On Paycheck Stub

The Lewiston (Maine) Municipal Federal Credit Union has obtained

permission from city officials to print a credit union message on the stub (Statement of Earnings and Deductions) which are furnished city employees with their paychecks.

The message is printed directly onto the stub from an addressing machine stencil, and thus involves the use of a minimum of extra material and time, and no extra paper.

The message used during February, just before income tax final payments were due, read, "Let the credit union finance your final income tax payment—beware of loan sharks."

Treasurer Adrien O. Anctil reports that results have thus far been very satisfactory.

Report to Field

Each month the president of the Cleveland Employees' Credit Union, Cleveland, Ohio, sends a report to members employed in the field. Following is the text of the one following this year's annual meeting. Besides revealing a notable story of credit union progress, enthusiasm, and fine leadership, it contains practical suggestions for a program which other groups may find helpful.

CLEVELAND TELEPHONE EMPLOYEES' CREDIT UNION REPORT OF ACTIVITIES

February 7, 1945,
Vol. 2, No. 1.

Dear Member:

The pleasure and satisfaction which our splendid annual meeting gave to

me personally would be hard to exaggerate. They are no less because I know the achievement was that of a team, not of one or two or three individuals. Outstanding performers of the team were Tom Dempsey and his annual meeting committee, Daisy Rocco and Ed Shepler, who sold most tickets; Mike Murray who produced most of the publicity, Ted Dunn and Robert Clark who produced the quiz show (and gave first prize to the wrong contestant), the girls in the office who handled the innumerable details, and Maynard Graft whose quartet brought down the house. On behalf of the Board I thank those named above, the many other volunteer workers and the 400-odd who came to the Hollenden for the meeting. Let's do it again in 1946.

For the statistically minded, 407 dinners were counted out of 425 reservations and a guarantee of 400 to the Hotel. There were 301 ballots counted. The most votes cast for one nominee was 276 for Charles Ropes for the Board.

The complexion of the Board of Directors did not change. Tom Dempsey was not a candidate for re-election as he chose to run for the Audit Committee instead. His place is taken by Ed Shepler leaving the Credit Committee after 2½ years. Shepler won the one-year term, W. E. Thompson the two-year term. The other five: Ropes, Clark, Brownfoot, Ellison and Wisler were elected for three years.

The new Credit Committee members are H. Greene of O.B.T. Toll Testboard, for three years and H. W. Leonhart of Long Lines Plant Division Office, alternate. With Milliff and Stotler as carryovers, this committee may be expected to continue to give unstintingly of its time and energy to assist borrowers in the solution of their financial problems.

Newly elected to the Audit Committee are Tom Dempsey for 3 years, Robert Tullis as alternate. Carrying over are Carl Damon and Arthur McCall. Certainly this part of the business will continue to be handled with a competence which has brought it recognition from many quarters.

Besides electing officers, credit union stockholders approved a 1%

Volunteer Organizers

TIP

Those interested in helping new groups organize credit unions may obtain a Volunteer Organizers Kit free of charge by writing the Credit Union National Association, Madison 1, Wisconsin.

This kit contains a Volunteer Organizers Handbook and a generous selection of credit union printed matter, including leaflets about credit unions successfully serving various types of groups.

Dividend, a budget of \$24,552 for 1945 and a resolution approving loans to Board Members and Committeemen. The credit union has earned a profit each year of its existence, and it has paid a dividend every year except 1943. The cumulative annual percentage of dividends paid in the 10 years, 1935 through 1944, is 32.25%, or somewhat in excess of 3 percent per annum. The sum distributed among the 2619 members for the 1944 dividend was \$3,398, or an average of nearly \$1.30 per member.

The budget of \$24,552 is the largest in the history of the credit union. It is \$5,881 more than the costs of operation in 1944 and \$3,196 more than gross earnings in 1944. That is about the amount earned in 1940 and 1942, about \$9,150 less than was earned in 1941. In order to match 1942 earnings we need as many accounts (2864) and as much share balance (\$512,114). It will take the efforts of every credit union member to bring this to pass. But it can be done and I am confident it will be done.

Defeated in the election for Credit Committee was W. E. Thompson (elected a director) who didn't even know he had been nominated. We don't feel sorry for him, but we regret the impossibility of electing all of the other candidates. Jack Hendy, Rebecca Smith, William Loesch and C. F. Saxton have interests and talents, which the credit union can use. I hope they will keep their interest alive by keeping in contact with the organization through committee work or other contacts. If they do this, opportunities for them are sure to develop.

At a meeting of the Board of Directors immediately following the announcement of results of the election, the officers for 1945 were elected. The meeting was called to order by our guest Mr. Harry Shifflette, of the Division of Securities. Mr. Roland Kinch served as teller and judge. Messrs. Humphrey, Ellison, Ropes and Miss Filley were elected President, Vice President, Treasurer and Secretary, respectively.

As the future always holds for everybody, the year ahead holds for the credit union an opportunity and a challenge. There are many things that should be done on which I hope at least a start can be made. It is worthwhile to mention some of them so that progress may be the more readily observed or measured. This is not intended as a complete or exhaustive index of work to be done.

1. We need more members. Look for a membership drive soon.

2. Regular savings by payroll deductions must be encouraged.

3. Efforts to bring borrowers to the credit union rather than have them go to loan companies must continue. All members can help.

4. Ways must be found to sell credit union so that when consumer goods are again available, employee buyers will use it automatically.

5. We must continue to search for methods which will lead to greater efficiency and lower costs.

6. Self-improvement studies carried on in 1944 should be continued in 1945.

7. Explorations should be made to

discover new fields of usefulness for credit union credit which can be worked to benefit the member, the credit union and the community.

8. Every deliberation and every action must recognize that the defeat of Germany and Japan is the first order of business of the Nation and of all its citizens. That the restoration of peace and security to the ravaged soil of our allies is the second order of business. We must, therefore, be ever mindful of our duty to buy War Bonds and encourage others to buy them; to hold all Bonds to maturity and assist

Westinghouse Electric Elevator Federal Credit Union



Horatio Twiddle was right in the middle
One day when he found he was broke
Tho' he'd fidget and fiddle it still was a riddle
And certainly far from a joke

The national debt he was willing to bet
Was the tax that he owed on his earning
And the more he would fret the sicker he'd get
'Til even his stomach was turning

The war bonds he bought would all be for naught
He'd have to redeem them or borrow
To hold them he'd fought, but now he was caught
'Cause he needed the money tomorrow

He was tired and bent when he finally went
To visit our Credit Committee
Where a real friendly gent, with intentions well meant
Related to Twiddle this ditty

Our organization will be your salvation
Forget all your worries my lad,
Let old man frustration give way to elation
Now cheer up and don't look so sad

The papers were made out, the money was paid out
And Twiddle was soon on his feet
His debts took a fade-out, with savings they stayed out
He says Credit Unions are neat

So if you're worried too, and you feel kind of blue
'Cause you're short of the cash that you need
Then get over your stew, now you know what to do
That is ——— if you heed what you read.

Circular issued by Westinghouse Electric Elevator FCU, Jersey City, N. J.

others to hold theirs; to avoid unnecessary purchases and inflationary spending, setting an example of restraint for others to follow; to find and undertake and thereby to stimulate others to find and undertake wholesome and productive or conservation measures outside of present limitations and restrictions.—Sincerely yours, Charles G. Humphrey, President.

No Soap

"What is the best way to approach you for a loan?" a spendthrift St. John asked his father.

"Well," his father answered, "If I were you, I'd make the request by telephone and then hang up before you receive an answer."

Ridiculous Price

WIFE: "How do you like my new gown? I got it for a ridiculous price."

Hubby: "You mean you got it for an absurd figure."—THE SCOOP, published by Lewiston Municipal Administrative Association.



Figure
All
the charges....

... when you borrow money or borrow "on time."

Here is a leaflet by J. Orrin Shipe to help your members see the importance of "figuring all the charges" when they shop for loans or for merchandise on credit. Specific pitfalls are revealed, and the advantage of using credit union loan service is stressed. Authentic, factual material, readably presented.

Space is provided for the name of your credit union. Price, \$1.44 per hundred net.

Order from your league or
Cuna Supply Cooperative
Madison 1, Wisconsin

Shrink, Grow or Status Quo?

by Lawrence Giese

EACH day in our lives, we face problems; but the paramount problem is and always will be, "Shall I or the organization that I represent shrink, grow or remain status quo?" It can be easily proved that practically all problems can be solved by the way we answer the previous question, for in that answer alone lies the solution to the manifold problems that are revealed before us.

If we no longer care how things turn out, we shrink individually or collectively. It is a signal that deterioration has set in and that unless we are careful, it will spell the downfall of ourselves or the organization that we represent. If our own personal attitude is that we do not care, that is an individual matter; but when that attitude is carried into groups or organizations of which we are the chosen leaders, then the matter is one that requires that we turn about face or that we cease to be leaders.

Not a Step, But a Jump

Leadership is a responsibility, one that carries visions, goals, ideals and ambitions. It is this type of leadership that makes for progress. It is a tragedy that shrinkage takes place, for surely it is not a step, but a jump backward. Lack of reading in related or unrelated fields, lack of thought as to how to solve situations, lack of interest in the finer things of life, lack of intelligent conversation, lack of meeting and conversing with people who know more than we do, lack of courage to face definite problems, and lack of self-confidence; these are the things that will cause us to shrink. Analyze any individual or organization that is going backward and you will find that one or more of the reasons for the cause are specifically some of the things we lack.

Closely related to shrinkage is status quo, and in this respect I am using the broader definition of the term, status quo, in the sense that it means satisfaction with things as they are at present. By far the greater number of

people and organizations are in this group, just satisfied to go on without any plans for the immediate or distant future, and seemingly content just as long as there is no decline. In spite of the challenge that is continually present, in spite of fact that so much needs to be done and in spite of the fact that there is a great service to be rendered, too many people will not take the time to think, and too often will not agree with those who do think in terms of the future. The poet Whittier ably states what happens to those content with the present, when he says "Of all sad things of tongue or pen, the saddest are 'it might have been.'" If individuals or groups would plan for the future, many regrets would never occur.

Did you ever notice how so many folks like to see things grow, whether it be in the garden, in youth, in drives, in organizations and the like? Growth is synonymous with progress, and in progress we see and evaluate things as they are and are to be. A person or organization that is growing is ever alert, willing to adopt that which will in the long run benefit society, and is always measuring results in terms of how to improve still more. As one who is a firm believer in growth, individual and for the Credit Union and Chapter that I serve, I share with you my personal prayer:

Lord, give me the vision to observe new problems; give me the strength and courage to meet new problems; and give me the wisdom to solve them.

By observing, facing and solving problems, we can grow and move forward to greater accomplishments.



Lawrence Giese is president of the South Milwaukee-Cudahy Credit Union Chapter, and of the Line-Material Credit Union, South Milwaukee, Wisconsin. This article is reprinted from the *Wisconsin Credit Union News*, published by the Wisconsin Credit Union League.

CARRY VICTORY IN YOUR BASKET!



Get Back of the "Paper Holiday" in Your Community

Your nearest War Production Board office or the State Salvage Committee can help your community establish and make effective a "Paper Holiday." They are being conducted with great success by towns and cities the country over. Suggest it to the merchant you buy from, and your local municipal authorities.

EVERY time you go to the store and carry your purchase home unwrapped, you help bring Victory just so much nearer — help get our boys back home just so much sooner.

So — when you go to the store, take along a basket or a shopping bag or some permanent container, roomy enough to carry your purchases home *unwrapped*.

Under no circumstances ask for, or accept, unnecessary paper wrappings from the storekeeper.

Don't burn or ruin, waste or destroy a single scrap of paper around your home, store or office. Collect it, save it, and call your local salvage group. They will call for it if you ask them to.

Remember — every scrap of paper you *don't use*, and every scrap you *do save* means just so much more *ammunition* for Victory.

HERE ARE A FEW THINGS THAT PAPER IS VITALLY NEEDED FOR:

Paper that wraps and protects more than 700,000 different war items such as shell containers, bomb rings, parachutes for Army supplies or flares, etc. Paper that goes into making containers for blood plasma collected by the Red Cross. Paper to make vests for airmen who fight in sub-zero temperatures. Paper for V-Mail envelopes for our fighting men. And these are but very, very few of the vital roles that paper plays in the war program.



Remember— PAPER IS WAR POWER

USE LESS PAPER—SAVE ALL WASTEPAPER

This advertisement contributed by this publication and prepared by the War Advertising Council in cooperation with the War Production Board and the Office of War Information.

President Tom Cecil

TOM CECIL, of the Stansanco Credit Union, Louisville, was elected president of the Kentucky Credit Union League at the annual meeting of the League's board of directors, April 7. He replaces Raymond Smith, of Standard Oil Company Employees Credit Union, Louisville, who had just finished several terms as president, and who declined to stand for reelection.

Walter L. Vandenburg was re-elected managing director.

This meeting of the board, a dinner meeting at which Cuna Managing Director Tom Doig was guest speaker, was Kentucky's chief credit union league meeting of the year, since the annual membership meeting was cancelled because of war conditions.

Uken Iowa Examiner

HENRY A. UKEN, pioneer of the credit union movement in Iowa, has been named Assistant Credit Union Examiner by the Iowa Banking Department.

Mr. Uken was for many years treasurer of the Davenport, Iowa, Fire Department Credit union, and has served as president of the Mississippi Valley Chapter, vice president of the Iowa Credit Union League, state chairman of the Filene Memorial Committee, and has organized more than 30 credit unions.

29 Per Cent Saved

In 1941 individuals in the United States earned after taxes, 88.7 billion dollars, of which they saved 14.2 billions, or 16 per cent.

In 1942, they earned after taxes, 110.6 billion dollars, of which they saved 28.8 billions, or 26 per cent.

In 1943, they earned after taxes, 124.6 billion dollars, and saved 33.7 billions or 27 per cent.

In 1944, they earned after taxes, 137.5 billion dollars, and saved 39.9 billions, or 29 per cent.

How High

Are War-Time Living Standards?

The Department of Labor reports that in February, living costs decreased by 0.2 percent, although they were still 28.6 percent above the pre-war level. These figures give some measure of retail price changes, but they tell us little of the enforced changes in wartime costs of family living.

BUSINESS WEEK—in a significant editorial in its issue of March 17th—

looked into the official statistics that tell us we have attained higher living standards during the war. Here are some of the highlights in the BUSINESS WEEK study:

"Consumers now are spending even more than the 98 billion dollars they spent in 1944, which was over 30 percent more than the 75 billions of 1941, and almost 60 percent above the 62 billions of 1939. After the Department of Commerce's correction for price increase—25 percent since 1941 and 34 percent since 1939—is applied, there is left a 'real' volume of goods and services for civilians almost 20 percent above 1939 and 5 percent higher than in 1941. . . .

Rise and Fall in Food

"To start with the biggest single item, 1944 retail food sales were up over 50 percent from 1941's 13 billions, while Commerce's indexes of prices rose only some 30 percent, indicating a jump in real consumption of 15 percent. However, total civilian food consumption fell off two percent or so, according to the Department of Agriculture.

"Clothing expenditures soared almost 60 percent from 1941's eight billions, while price indexes advanced 33 percent, leading Commerce to conclude that there was a real expansion in apparel purchases of almost 20 percent. But again, War Production Board figures show that in 1944 civilians got 12 percent less Cotton textiles than in 1939, a bit less wool, a good deal less rayon—and other government data indicate a total textile drop from 1941 to roughly 25 percent.

Durable Goods Volume Down

"Even dollarwise, durable goods are down one-fourth from 1941's nine billions, and after price correction, the drop is slightly more. Physical supply figures here are far from comprehensive, but they do suggest that furniture, auto parts, hardware, and similar hard goods were only half to two-thirds of 1941's volume. . . .

"Although it is fairly obvious that the physical volume of consumption in 1944 was above the 1939 level, even an optimistic reading of the supply figures indicates that 1944 volume was below that of 1941. Obviously, some goods or services have increased, while others have really run short, and still others have failed to keep pace with soaring purchasing power, thus creating the atmosphere of shortage. But the question that remains is how to reconcile the discrepancies between actual supplies and those implied by the price-sales data.

"In some cases—for instance, leather shoes dropped 35 percent from 1941 to 1944 while actual sales fell off only

10 percent—an explanation is found in the draining of stocks. More commonly, the explanation can be found in the stretching of supplies—shorter shirttails, smaller towels, narrower skirts. This phenomenon is hard to separate from quality deterioration—more fat on meat cuts, less sugar in pastries, less butterfat in cream. And these are also closely related to forced shifts in buying patterns—from home meals to restaurants, from auto to rail transportation, even from nickel to quarter cigars. Indeed, there is a large variety of changes from normal production and price behavior, which must be explained largely in terms of hidden price increases. Yet most of these are not considered increases in living costs, which price indexes measure."

A Great Reservoir

Reeves V. Liston, president of the Utah Credit Union League, contributes the following graphic analogy:

The ideals, philosophies, purposes and workings of the Credit Union can be compared with the great water reservoirs of the world, and particularly be compared for the benefit of our people here in the West. In the West all people, regardless of occupation, realize the importance of the water reservoir. The credit union is an economic reservoir.

The place to build the credit union reservoir is among a group of people who have a common bond of occupation, association or geographic convenience.

The material is furnished almost free of charge by the Federal or State law. This material is made possible by the vast amount of previous work which was done by unselfish men and women from Raiffeisen on down to the men who now man our National Association and various State Leagues.

The actual building of the economic reservoir is done by the charter members, with the aid of the Cuna, field man, State League representative, managing director, or some volunteer. The charter members also furnish part of the contents of the economic reservoir by starting to fill it with their original savings, (Share Purchases).

The managers of the economic reservoir are the board of directors. They are the ones who must coordinate the efforts of the members, the officers and the committee members. All co-ordinations must come within the law. In most cases the law is broad enough to allow latitude according to the particular needs of any particular group.

The inspectors of this reservoir are the supervisory committee. They must watch for laxity in performance of the duty of all officers. In other words they must keep the dam strong and the contents pure.

The watermaster of the reservoir is the credit committee. They are the ones to decide upon the merits of dipping into the reservoir to supply the nourishment for a given economic dry spot. The notice of the need for such nourishment comes in the form of the loan application. The credit

I See Not America Only

by Walt Whitman

I SEE NOT AMERICA ONLY, not only Liberty's nation but other nations preparing,

I see tremendous entrances and exits, new combinations, the solidarity of races . . .

I see Freedom, completely arm'd and victorious and very haughty, with Law on one side and Peace on the other.

A stupendous trio all issuing forth against the idea of caste; What historic denouements are these we so rapidly approach?

I see men marching and countermarching by swift millions,

I see the frontiers and boundaries of the old aristocracies broken,

I see the landmarks of European kings removed.

I see this day the People beginning their landmarks, (all others give way);

Never were such sharp questions ask'd as this day,

Never was average man, his soul, more energetic, more like a God,

Lo, how he urges and urges, leaving the masses no rest! . . .

Are all nations communing? Is there going to be but one heart to the globe?

Is humanity forming enmasse? for lo, tyrants tremble, crowns grow dim,

The earth, restive, confronts a new era. . . .

A Volume of Help

BOUND VOLUMES of the 1944 Bridge, complete with index, are now ready, at \$3 a copy. For ready reference to a year of informational and helpful credit union material order yours now.

The Bridge
Madison 1, Wisconsin

committee must decide whether or not each particular economic dry spot is worthy of further cultivation. Whether or not the soil is too rocky, too steep, too swampy, or too dry. The proper decision can almost always be successfully arrived at by careful studying of the character of the applicant.

The over all strength of each economic reservoir lies with the members. Assuming, of course, that the builders, the managers, the inspectors and the watermaster have done their job properly. The members must save all of the money that they can during the flood tide of earnings. They must also save what they possibly can when earnings are light. And above all they must not let the reservoir dry up. They must use the contents in such a manner that their own economic fields will stay green and bear a continual crop of economic well being all through their life.

Probably the most important item in this comparison, is that the contents of our credit union reservoir will run up hill without pumping.

48 Per Cent Minimum

IN BEN FRANKLIN'S TIME, we are told, if you wanted to borrow some money, you simply overdrew your check account. And now one of our contemporary lending institutions is reviving this practice in a limited way, for a rather high fee.

Here's how the story is reported by the editor of *THE WORKING DOLLAR*, published by the North Shore Cooperative Federal Credit Union, Evanston, Illinois:

"Our friends know what a nasty mind we have.

"Ogden Livermore has one too, because he put us up to shoveling all this dirt about one of our respected institutions, and we suspect he got even more fun out of it.

"Look in the daily paper, Dear Reader—almost any issue, and you'll see the ad of the Merchandise National Bank, the one down in the Merchandise Mart. The ad says:

"The credit feature . . . allows you to write a check for as much as \$25 more than you have in the bank.

"Then, next pay-day, just repay

what you loaned yourself—plus \$1 service fee . . . it's helpful and easy. You don't have the embarrassment of borrowing—or the worry."

"End of quote.

"No embarrassment, No worry. And the cutest, sweetest little interest rate that ever intrigued a credit shopper's eye! 48% and up!

"And you don't even borrow, it says here. You simply do something—at 48% and up—which amounts to the same difference.

"Catch on! The rate (saves embarrassment to call it a fee) is a dollar a month on a \$25 amount, or four dollars on a hundred.

"Four dollars per month on a hundred is 48% a year. Furthermore, unless you "loaned yourself" at the beginning of the month since you have to pay back on the next pay-day, you'll be paying up to 96%.

"And if you want to get really mean about it, you can suppose what nobody in his right mind would ever do—suppose that you didn't 'lend yourself' \$25, but only \$10, and on the third week of the month. . . .

"But that gets embarrassing, not to mention the worry.

* * * *

"If you wonder why we give the story all this space, this is the reason.

"The credit union calls spades spades, gives its members the whole story, and doesn't try to kid anybody.

"Incidentally, the Merchandise National Bank has the most convenient and economical bank-by-mail and checking account system we know. We (this editor and his wife) have our own checking account there, but our savings—of course—in the credit union."

Made In Mexico

INCREASED AMERICAN DEMAND for Mexican-made wares which followed curtailed production in the United States has placed a strain on Mexican markets. Many of the producers of commodities exported to the United States are not familiar with large scale production techniques . . . they are also hard pressed for materials. The Mexican Government is not giving permits for use of tin in articles to be exported . . . also native fibers, a new material in the manufacture of many exports, are now being used for war



products. The result is a scarcity of Mexican hand-weaves and tinware in export trade. However, hand-blown glassware, woven baskets, small children's chairs, and ceramic urns and pitchers are finding their way to United States markets.

Dehydrated Food Boom

Mexico's 20 fruit and vegetable dehydration factories, at first viewed with skepticism by business interests, are now attracting wide attention. Over 480 tons of dehydrated banana flakes and 200 tons of banana flour were produced last year . . . production will be greatly increased this year by addition of new factories. Pineapples and papayas are being dehydrated at a monthly rate of 10 tons of the former and 5 tons of the latter. Onions, garlic, and peppers are also being processed. It appears to be developing into a flourishing industry.

\$1,000 Blanket Bond

So that blanket bond surety coverage may be more readily available to the smaller credit unions, Cuna has for some time been working with its bonding carriers in the hope that blanket bonds might be issued in amounts smaller than \$2,500. Effective March 15, 1945 the minimum has been set at \$1,000.

The following minimum bonds, for various asset groups, will be issued for the amounts shown. If coverage above the required minimum is desired, it may be obtained in multiples of \$500, at \$4 per \$1,000 of the excess. (The minimum requirements shown are those of the Surety companies, and are not to be confused with minimums set by some supervisory authorities.)

Assets	Minimum Bond	Annual Premium
Up to \$5,000	\$ 1,000	\$ 16
\$ 5,001 to \$ 10,000	1,500	24
10,001 to 20,000	2,000	32
20,001 to 30,000	2,500	40
30,001 to 40,000	3,000	48
40,001 to 50,000	3,500	56
50,001 to 75,000	4,000	64
75,001 to 100,000	5,000	72
100,001 to 150,000	6,000	80
150,001 to 200,000	7,500	88
200,001 to 300,000	10,000	104
300,001 to 400,000	12,500	120
Over \$400,000	15,000	136

If, but only if, the supervisory authority requires faithful performance coverage, Faithful Performance Riders may be attached to the above bonds for an additional premium of 12½ per cent.

Misplacement Riders may, at the option of the credit union, be attached for an additional premium of 12½ per cent.

Our Readers Write



Essential Common Sense

To the Editor:

We share Miss Kinch's pleasure in seeing her skit published in the March issue of *THE BRIDGE*. We feel that the essential common sense behind "Listen My Children" represents more than a few minutes of entertainment.

THE BRIDGE has been helpful to us and we hope that the skit by Miss Kinch will give some other credit union ideas for planning an educational program.—Robert J. Anthony, president Harlem Y.W.C.A. FUC, New York, New York.

To Figure Total Interest

To the Editor:

Credit union treasurers are often asked, concerning a proposed loan: "How much will the interest amount to?"

For quick computation multiply the amount of interest for the first period (month, half-month or week) by one-half the number of periods the loan is to run and add one-half of the interest for the first period.

Example: Loan of \$150.00 to be repaid in 15 semi-monthly payments of \$10.00. Interest at 5/6 of 1% per month.

Interest on \$150 for 1/2 mo.

(Refer to Int. Table).....\$0.63

Multiply by 1/2 of the 15 semi-monthly periods..... 7 1/2

\$4.73

Add 1/2 of the interest for first half month..... .32

Total\$5.05

This works out for all loans payable in equal periodic installments if payments are made on scheduled dates.

This formula may have appeared in an earlier issue of the *BRIDGE* but I do not remember having seen it. If 1% interest rate is used the computation would be:

\$0.75 times 7 1/2 plus \$0.38—Total \$6.00.—H. W. Mecklenburg, treasurer Texas Gulf Employees FCU, New-gulf, Texas.

\$4,650 in Two Weeks

To the Editor:

We wish to take this opportunity to express our appreciation of the article in the January issue regarding estate loans. (See January *BRIDGE* page 10). We have been asleep at the switch until this was published. Inasmuch as we could have inaugurated the plan

years ago had we been on our toes, we are now pushing this plan very industriously, and are happy to say that in two weeks we have made 10 such loans, totaling \$4,650.

These loans range in amount from \$200 to \$1,000 with repayments varying from \$12.50 to \$75 per month. This, what we choose to call a phenomenal success, at the very beginning, must naturally be taken with a grain of salt, for we appreciate that some of these loans may be cancelled for various reasons; on the other hand our credit union, like most of the other credit unions the country over, has been carrying quite a large bank account, and this, when repayments begin to come in, is not going to help matters very much. However, the month of February was exceptional in that we made over \$1,100 in other loans, and March, so far has averaged \$90 per day, which we feel is mighty fine.

In giving you all this data it was our thought that the Estate Loan Plan could be given more *BRIDGE* publicity and you may feel free to use our insignificant credit union as an example. Quite a service to both credit union and members can be rendered by this plan. Again thanking you for waking us up to the idea and with best wishes for credit union movement success.—C. E. Schauner, treasurer The Steffen Empl. Credit Union, Wichita, Kansas.

Article Wins Trial

TO THE EDITOR:

At one of our Chapter meetings, the treasurer of another Credit Union asked me a question about the correct method of accounting for interest checks received on Series G war bonds.

As I had read the article "Series G interest entries" by Don C. Candland in February issue of the *BRIDGE*, I suggested that I would mail it to him the next day, which I did.

Following is a copy of a letter I received today from the other treasurer:

Mr. John F. Howard,
Electro Dynamic Employees F.C.U.,
Bayonne, New Jersey.

Dear Sir:

We are enclosing herewith your copy of the *BRIDGE* which you were kind enough to lend us in order that we might settle a dispute. In passing may we say that our Board of Directors found the *BRIDGE* very helpful

and we are entering a trial subscription.

Thanking you for past favors and hoping that we may some day be able to reciprocate, I am, Cordially yours,
Bayonne Arcostan Emp. F.C.U., F. X. Dreher, treasurer.

I thought you might find this an interesting example of some of the good *THE BRIDGE* is doing.—John F. Howard, Treasurer Electro Dynamic Employees FCU, Bayonne, New Jersey.

Likes Idea Exchange

TO THE EDITOR:

I find the *BRIDGE* good reading as well as educational. I like the Idea Exchange in particular and have used some ideas from it to a very good advantage.—L. V. Mossman, treasurer, Rancho FCU, Hondo, California.

Replace Oral Reports

To the Editor:

We have received so many good ideas from *THE BRIDGE* from time to time that we thought it was our turn



I Speak For Joe Doakes

for cooperation at home
and among nations

by Roy F. Bergengren

"Roy F. Bergengren, out of long experience working with people both at home and abroad, has here discussed some of the basic problems of the world today, and, in astonishingly few words, has outlined practical workable means of solving them."—Percy S. Brown, executive director, Edward A. Filene Good Will Fund.

Published by Harper and Brothers at \$2. Special \$1 issue available from

Cuna Supply Cooperative
Madison 1, Wisconsin

to submit information for the benefit of other credit unions.

In connection with our monthly board meeting we used to read orally facts and figures about our credit union assets and liabilities, cash receipts and disbursements and loan status. It was naturally difficult for some members present to absorb and

analyze the verbal report with the result that we now prepare this information in mimeographical form (as shown below) which is distributed to each board member. In short we have a month by month picture as to our progress in written form and for future study.—*Elmore W. Gross, Treasurer Jefferson CU, Bellwood, Illinois.*

JEFFERSON CREDIT UNION CREDIT COMMITTEE REPORT

	AUGUST	SEPTEMBER	OCTOBER
Number of Loans	49	40	50
Total Amount of Loans	\$5062.50	\$3790.00	\$4607.61
Amount Refinanced	\$1571.12	\$ 598.44	\$1365.93
Number of Loans Outstanding	170	172	176
Number of Members	563	565	576

LOANS OUTSTANDING ON FORMER EMPLOYEES

	11-15-44	
Number	Totaling	
Good	8	\$302.00
Fair	1	10.00
Bad	6	79.00
	15	\$391.00

SUBMITTED BY EDITH BRADLEY

JEFFERSON CREDIT UNION

	GENERAL LEDGER TRIAL BALANCE 10-31-44	CASH ACCOUNT AND SECURITIES 11-13-44
ACCOUNTS	DR. CR.	DR. CR.
Cash - Petty Fund	\$ 10.00	\$ 10.00
- General Fund	11,682.87	15,011.43
- Savings Fund	11,577.32	11,577.32
- U.S. Savings Bonds		
Series C & D	16,640.00	16,640.00
- U.S. War Bonds		
Series F & G	20,920.00	20,920.00
Loans	13,626.05	
Shares		\$69,416.14
Interest Earned on Loans		1,083.56
Entrance Fees		49.01
Expense	507.67	
Life Insurance Borrowers		11.34
Interest Received - other		178.00
Misc. Income		3.25
Undivided Profits - Surplus		1,547.34
Reserve Fund		2,062.27
Reserve for Bond Redemption		613.00
	\$74,963.91	\$74,963.91
		\$64,158.75

CASH RECEIPTS AND DISBURSEMENTS

	SEPTEMBER	OCTOBER
Receipts		
Shares	\$ 6,335.25	\$8,026.28
Repayment of Loans	3,067.47	3,995.54
Disbursements		
Loans	2,991.56	3,241.68
Withdrawals of Savings	4,353.39	4,171.76
Difference		
Cash Income and Outgo	2,057.77	4,608.38

SUBMITTED BY ELMORE W. GROSS

Mexican Awakening

NOT SO LONG AGO ten poverty-stricken villages which dotted a valley 60 miles southwest of Mexico City were so cut off from the rest of the world that most of their occupants had never seen a wheeled vehicle. Today a progressive, self-sustaining rural community is emerging.

Described by Dr. M. L. Wilson, head of extension work for the U. S. Department of Agriculture, as "the best job of agricultural education among primitive people that is being done anywhere," the project was already attracted attention throughout the hemisphere.

A private enterprise, sponsored by the Mexico City YMCA, the experiment is described in the current issue of *The Inter-American Magazine*.

The food problem was attacked first. Discouraged by the unequal struggle against hordes of insect pests which devoured plants as soon as they were out of the ground, the villagers had long since stopped cultivating anything but corn. Disregarding the Indians' skepticism, the Center's director, Dr. Spencer Hatch, a U. S. agricultural expert, had seventy varieties of vegetables planted. Each plant was sprayed with a sodium arsenite insecticide. Ordinary flit guns were used because dry powder wouldn't stick on the leaves.

With amazement the Indians watched radishes, soy beans, peas, cabbage, kohlrabi, sweet potatoes, sorghum, rhubarb, peppers, lettuce, eggplant and more than twenty varieties of corn flourish. Pop-corn, grown for the first time in the valley, was an instant success.

Fruit trees were planted. Orange buds from California were grafted on local trees. Sheep, cattle, and poultry were brought in from other parts of



the country. Experiments were made with disc harrows instead of ploughs.

Health and Prosperity

Money making industries have been introduced. Perhaps most successful of all is the honey industry. Although the many flowers in the valley attracted droves of bees, the region produced little honey. There were two reasons for this. First the few honey gatherers in the valley used primitive methods. They used to gouge the bees and the honeycomb out of the logs where the region's black, fiercely stinging bees made their hives. Then they would dump them into gunny sacks and squeeze the contents, losing the valuable comb. Second, the bees were nearly exterminated. Lively little lizzards grew fat by gobbling up every bee within reach. This went on until the Center designed pest-proof stands. Modern methods of extracting honey were demonstrated. Practically every body was anxious to learn the new bottling, labeling and shipping techniques. Since honey brings a new high price in Mexico City, the valley's industry is bringing in a good cash return.

Health, sanitation and housing problems became part of the program. The experiment is proving conclusively that given the opportunity, and shown the way, these Mexican Indians are eager and willing to work for a better way of life—and have a fair chance of getting it.—*The Wallace Thorsen Organization.*

Wanta Help Edit?

CO-OP MAGAZINE, the new magazine published by the Cooperative League of the U.S.A., is looking for an editorial secretary. Those interested in and informed about the consumer and producer cooperative movement who feel they have the necessary technical qualifications, and who wish to be considered for the position, should write fully concerning education, experience, references, and salary required to Gilman Calkins, editor Co-op, 343 South Dearborn Street, Chicago 4, Illinois.

Cover Picture

Our cover picture originally appeared in the fine brochure issued by The Falk Corporation, Milwaukee, Wisconsin to its new employees. It appeared with introductory remarks about the Falk Credit Union.

The remarks conclude, "Its members have received an average of about 4 per cent interest on savings for years, and they have been able to make personal loans on advantageous terms which can be matched by no other type of loan organization. It will pay you to investigate the credit union's possibilities when in need of money or when you want to put money into a savings account."

does it pay?

yes, does it pay to belong to your league and to Cuna?

well, here are a few facts two workers for the credit union movement fired from the hip, when we asked them this question and told them we wanted cold, realistic facts, not vague intangibles.

we can't mention the names of credit union and individuals, but we assure you the following figures are drawn from actual cases.

here goes:

because credit unions in the states listed below were members of their league and Cuna, they were able to get without extra cost the protection of the excess bond.

this bond paid credit unions suffering defalcations as follows:

Kentucky—\$17,614.85

Pennsylvania—\$1400.36

Colorado—\$6358.39

California—\$863.53

Minnesota—\$11,989.30

New Jersey—\$563.38

these are not all the claims paid, but \$38,789.81 will offset a lot of dues.

here are some examples of another type of help:

last January 10th, a fieldman addressed a credit union at its annual meeting. Its assets then were \$17,000. BY JANUARY 27th they had hit the \$25,000 mark.

to show that that wasn't a freak happening—that fieldman addressed the members of another credit union on January 12th, when its assets totaled \$900—On February 24th, they were \$5000—A 555% increase.

a fieldman addressed the members of a credit union a year ago last January. At that time the credit union had 94 members and \$3500 of assets. Now it has 326 members, \$25,000 of assets and \$15,000 of loans.

and:

another credit union was four years old and had only \$1100 of assets. At a meet-

ing addressed by a fieldman, \$2200 was deposited in the credit union. A 200% gain in a few hours.

and then there's those credit union-saving operating "assists":

a large western community credit union inaugurated a check-cashing service. It was having considerable difficulty keeping things straight.

a fieldman paid it a visit. He suggested a simplified system. This stopped shortages in a hurry. In fact, the second day of its use, the system helped the management put its finger on a \$700 error, which heretofore would have been just another shortage.

here are more examples of this kind of realistic benefit.

a large Eastern credit union was snowed under with sudden growth. A fieldman visited it. He made a number of practical suggestions. Within a week the staff had the situation well in hand and were again able to continue services they thought they had to eliminate.

another large Eastern credit union needed \$200,000 to take care of seasonal loan demand. Its local bank would loan it the money at 5 percent. A fieldman arranged to get the money from a bank in a neighboring city at 3 percent.

another credit union in a Midwestern city, found one morning that its records were in a beautiful mess. The plant had expanded; the credit union job was too much for the then treasurer. The credit union movement's fieldman answered the call for help. He spent six continuous weeks of 12 and 15 hour days, straightening out the books. He saved that credit union. He trained a new crop of directors and committee members and that credit union is now smoothly rolling along.

yes, league and Cuna membership does pay and pay well. Remember, too, there are many more benefits.

for further proof, write your league or

Credit Union National Association

Madison 1, Wisconsin

HERE'S A NEW, EASY WAY TO FIND INTEREST CHARGES...

**GIVES EXACT CHARGE
INSTANTLY — without calculation**



EASY AS A-B-C Here is the ideal interest table for credit unions. Anyone can find the *exact* interest charge on any loan balance without any calculating whatever. You merely turn to the page for the number of days in the interest period, find the balance and read the interest! No need to look in two places, no need to add two or more amounts to get total interest due.

The Schneider table ends the undercharges and overcharges which are so common in offices using old style interest finders.

10 DAYS TRIAL

Printed in easily-read type on rag paper stock that will give years of service. Four monthly rates: 1%, 4%, (balances up to \$900), 4%, 4% (balances up to \$1,200).

SEND NO MONEY Just fill in and mail coupon. Try this interest table for 10 days—then send your check for \$11 per table (stand \$3.00 extra) or return the table. You be the judge. Please state rate wanted. Send the coupon now while it is fresh in your mind.

JOHN DICKINSON SCHNEIDER

835 N. ORLEANS STREET
CHICAGO 10, ILL.

Please send _____ Schneider Tables and stand for _____ % rate. We understand that if not satisfied we may return the tables and you'll cancel our bill.

Name _____

Address _____

City _____ State _____

Suggested Reading

The Veteran's Guide

THE VETERAN'S GUIDE, Prentice-Hall, Inc., New York; 61-page pamphlet; price 10 cents.

We have seen no better guide for the returning veteran. It is packed with detailed, practical information, including precise figures and addresses, some of which could hardly fail to be helpful to every veteran. So far as we can tell no other publication, not excepting any government publication, has assembled the answers to so many phases of the veteran's separation-from-service problems between the covers of one book. In view of its small cost and the great potential value to the veteran, we do not hesitate to say that every returning soldier should have a copy.

Progress?

HOW TO TELL PROGRESS FROM REACTION—ROADS TO INDUSTRIAL DEMOCRACY, by Manya Gordon. 320 pages. \$3. E. P. Dutton & Co., New York.

Of this book George Tichenor, editor of Eastern Cooperative League COOPERATOR, says:

"The moral that the author draws from the excursions of her pilgrimage in search of freedom-with-plenty is that we are more likely to arrive there if we (1) beware of any one 'ism'; (2) beware of slogans unattached to facts and (3) carry more than one string for our bow. She sees (and gives figures) industrial democracy merging in the United States, Great Britain, and Sweden; she sees freedom sacrificed to bureaucracy in Russia and she looks upon cooperation for a pragmatic approach to more for the many by democratic means. . . .

"Miss Gordon is the author of 'Workers Before and After Lenin' so she writes with a sense of sureness on Russia, but when she looks at the co-ops, she pulls several boners, the more regrettable because of her good intentions.

"Otherwise it's a good readable book, well indexed, a boon to the reader, too often neglected."

Credit Union Poet

"HELLO, MAN," by Kenneth L. Patton. 114 pages. \$1. Published by the author, whose address is 2212 Hillington Green, Madison, Wisconsin.



This book of poems was written by a director of the Co-op Credit Union, Madison, Wisconsin.

The poems have something of the vigor and compassion for life one associates with Whitman, and show the influence of the Bible. They have no rhyme, but they do have reason and a good measure of inspiration—not the inspiration of the moralizing verse writers, but that of a man who faces life squarely. They are out of the vein of great poetry, and men and women of open minds and hearts who read them will draw pleasure, if not joy, and nourishment from them.

Mr. Patton is minister of the Madison Unitarian Church, is one of Madison's artists, and is a community leader of liberal action.

Goolibahlogy

THE GOOLIBAH TREE, by Joe Gunterman. Illustrated by Bill Darr. 50 cents. The Cooperative League of the U.S.A., Chicago.

Although published by the Cooperative League, this book for children says nothing about the organized cooperative movement. And although it is designed to cultivate in children tolerance and an appreciation of the benefits of cooperative action, it does not teach anything that any upright banker or business man does not try to teach his children. Of course, those of us who may be associated with the organized cooperative movement may say that we are only trying to bring those teachings into the market place. But be that as it may be, this brightly colored, deftly written book might well be placed in every child's hands.

Parable

THERE WERE THREE MEN—A PARABLE FOR CONSUMERS, by Bob Stailey, 25 cents. The Cooperative League of the U. S. A., Chicago.

This book—gay line drawings; galloping, hand-lettered text; and all—is frankly intended to help young people along the way toward participation in the organized consumer cooperation movement. But all but the most unfriendly to consumer cooperation should be amused at the way this is done, and interested in it, at least as an example, a notable example, of the light-but-sure touch in advertising.

This edition—the second—has forewords by Elmer E. Milliman, president of the Brotherhood of Maintenance of Way Employees (AFL), and by Walter P. Reuther, International Vice President of the United Automobile, Aircraft & Agricultural Implement Workers of America (CIO).

Another Way

ANOTHER way to help your members and potential members take care of their funds, and earn their good will and support, is to provide them colorful Cuna jackets for their war bonds and stamps (whether you are an issuing agent or not).

War Bond Jackets are \$1.20 per 100, less 20% to member credit unions.

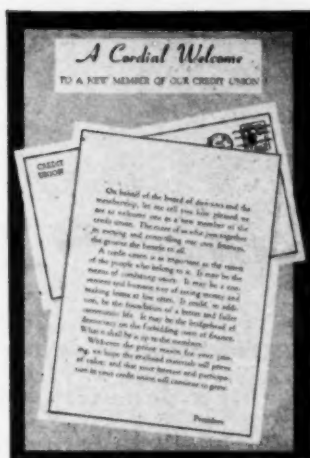
War Stamp Jackets are \$1.10 per 100, less 20% to member credit unions. These can also be used as passbook jackets.

And speaking of passbook jackets:

Passbook Jacket (Form 3), made from red rope stock is no longer available. Until further notice this jacket will be made of heavy kraft paper (and referred to as **Form 3 Substitute**). Price 63 cents per 100, less 20% to member credit unions.

From your league or

Cuna Supply Cooperative
Madison 1, Wisconsin



Shown above is the first page of a four-page folder designed to be sent to new credit union members. In addition to the welcoming letter on the first page, to be signed by the president, there are introductory messages, and words of commendation for credit unions by leaders of industry, of labor, of agriculture, and of the church. On the inside, two pockets are provided for your own selection of additional credit union material. Cost, including mailing envelopes, \$3.70 per 100 net (Ed. 27).

The cartoons "Are you a 'Wish-I-had'—or a 'Glad-I-did'?" on page 205 of the September Bridge have been made into a very attractive blue-and-white, six-page, two-fold leaflet. Also included is a cut of the "I'm a Member!" poster (see below) and a page of "Facts About Credit Unions." 75 cents per 100 net (Ed. 26).

Cuts of the three popular Cuna blotters shown below have been blown up to make attractive blue and white posters, about 14 by 10 inches. The cost makes it possible to post them widely. \$2.40 per 100, less 20% to member credit unions (Ed. 750, Ed. 751 and Ed. 752). As blotters, these are 92 cents per 100 net.



PAID in full
WHAT a relief—and how smart—to get all those nagging bills paid. It is good to know that a credit union loan, made to fit your needs, will do the trick.



OUCH!
AND the longer you wait the more it'll hurt you and your pocketbook. If it's lack of money that is holding you back, do you know that your own credit union is always ready to make helpful loans, planned to meet your needs?



I'm a MEMBER!
To keep my whole family happy in the credit union. It got us out of a tough financial jam, and its convenient, economical facts and figures are helping us in the clear. If you are not a member of our credit union, why don't you join us now?

From your league if it handles supplies or

Cuna Supply Cooperative

Madison 1, Wisconsin

From whom do you collect?

"If your member, Doakes, dies, owing your credit union \$144.11 loan balance and interest, from whom do you collect?—his widow, his children, the endorser,—or Cuna Mutual Insurance Society," asks the Maine Credit Union League in a bulletin to its member credit unions.

This bulletin reveals that in less than ten

years Cuna Mutual Loan Insurance has made it unnecessary in 1,006 cases for credit unions in New England to collect from the heirs of their deceased borrowers. Loan balances and interest totalling \$144,978, and averaging \$144.11, were removed from the obligations faced by the bereaved loved ones.

From whom does your credit union collect?

Write for free leaflet.

CUNA MUTUAL INSURANCE SOCIETY

P. O. Box 391, Madison 1, Wisconsin

P. O. Box 65, Hamilton, Ontario

Rabbit Stew



It's like trying to make rabbit stew from one rabbit and one horse, this trying to run a credit union with only one *Bridge* subscription, a friendly wag remarked the other day.

We won't argue with him on that—in fact, we are thankful for what we take to be a testimonial.

And his testimonial isn't the only one which confirms us in our conviction that better credit unions result when at least every director and committee member receives an individual subscription to *The Bridge*. Many of our most successful credit unions go beyond that, and also enter subscriptions for their more promising leaders-to-be.

We have been told and, modesty to one side for the moment, we believe this to be true: A much larger cross section of the average credit union's membership should have the benefit of *The Bridge*, with its credit union news, information, advice, and inspiration, if the credit union is to enjoy maximum success. Certainly no credit union should depend upon one man to run its affairs, and certainly no credit union should fail to provide understudies to its present leaders, especially in these uncertain times.

By all means keep an official copy of *The Bridge* in file for reference purposes, but see to it that copies are handy for all of your leaders, by sending subscriptions directly to their homes. Subscriptions cost only \$1 per year each. Just mail your order with names and addresses to

The Bridge

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Madison 1, Wisconsin